

CLEAR RATE COMMUNICATIONS, INC.

EXHIBIT E

Proposed Local Tariff

CLEAR RATE COMMUNICATIONS, INC.

**Regulations and Schedule of Intrastate Charges Applying to
Intrastate End User Telecommunications Service and Local
Call Termination Service within the State of South Carolina**

This tariff includes the rates, charges, terms and conditions of service for the provision of intrastate access telecommunications services in the State of South Carolina by Clear Rate Communications, Inc., ("Clear Rate") with principal offices located at 2600 W. Big Beaver Rd. Suite 450, Troy, Michigan 48084. This tariff is now on file with the Public Service Commission of South Carolina, 101 Executive Center Drive, Suite 100, Columbia, SC 29210, and copies may be inspected, during normal business hours, at the Company's principal place of business.

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CHECK SHEET

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**EXPLANATION OF SYMBOLS, REFERENCE MARKS,
AND ABBREVIATIONS OF TECHNICAL TERMS**

USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) Changed Regulation
- (D) Discontinued Rate or Regulation
- (I) Increased Rate
- (N) New Rate or Regulation
- (R) Reduced Rate

APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user telecommunications services and local call termination service by Clear Rate Communications, Inc., hereinafter referred to as the Company, to customers within the State of Michigan.

SERVICE AREAS

The Company hereby mirrors the Map and Legal Description tariffs of the exchanges, by Incumbent Local Exchange Carrier, to identify its service territory.

Calls originating from an exchange or zone and terminating in an exchange or zone in the local calling area will be treated and charged as local calls. Calls made to a telephone number with an NPA NXX that is associated with a rate center that is within the customer's local calling area are local calls regardless of the physical location of the called party.

SECTION 1 – DEFINITIONS

Authorized User - A person, firm, corporation or other entity who is authorized by the Customer to be connected to the service of the Customer under the terms and regulations of this tariff.

Available Usage Balance - The amount of usage remaining on a Debit Account at any particular point in time. Each Debit Account begins with an initial usage amount which is depleted as services provided by the Company are utilized by the Customer.

Business Service - A switched network service that provides for dial station communications that is described as a business or commercial rate.

Business Customer - A Business Customer is a Customer who subscribes to the Company's Service(s) and whose primary use of the Service is of a business, professional, institutional, or otherwise occupational nature.

Company - Used throughout this tariff to refer to Clear Rate Communications, Inc. unless otherwise clearly indicated by the context.

Debit Account - An account which consists of a pre-paid usage balance depleted on a real time basis during each Debit Service Call.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Company under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

Holidays - Holidays observed by the Company are specified as follows: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas, Easter Sunday

LATA - Means the local access and transport area as defined in United States v American Telephone and Telegraph Co., 569 F.Supp. 990 (D.D.C. 1983).

Personal Account Code - A pre-defined series of numbers to be dialed by the Customer or Authorized User upon access to the Carrier's network which identifies the Debit Account from which charges for service shall be debited and which validates the caller's authorization to use the services provided.

Renewal - A method of replenishing a Debit Account's Available Usage Balance with additional minutes of use as authorized and paid for by the Customer.

Residential Customer - A Residential Customer is a person to whom telecommunications services are furnished predominantly for personal or domestic purposes at the person's dwelling.

Switched Access - A method for reaching the Company through the local switched network whereby the End User uses standard business or residential local lines.

SECTION 2 – REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with the provision of an access line and usage within a local calling area for the transmission of high quality, 2-way interactive switched voice or data communications between points within the State of Michigan.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

2.1.2 Shortage of Equipment or Facilities

- A. The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- B. The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

2.1.3 Terms and Conditions

- A. Business Service is provided on the basis of a minimum period of at least one month, 24- hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- B. Business Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Business Customers will also be required to execute any other documents as may be reasonably requested by the Company.

2.1.3 Terms and Conditions, Cont'd

- C. At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Business Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- D. Service may be terminated upon written notice to the Customer if:
 - 1. the Customer is using the service in violation of this tariff; or
 - 2. the Customer is using the service in violation of the law.
- E. This tariff shall be interpreted and governed by the laws of the State of Michigan regardless of its choice of laws provision.
- F. No other telecommunications provider may interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- G. To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

2.1.4 Liability of the Company

- A. The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- B. The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government or any state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties when it does not involve the company's employees.
- C. The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- D. The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- E. Explosive Atmosphere. The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Business Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4.E as a condition precedent to such installations.

2.1.4 Liability of the Company, Cont'd

- F. The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- G. The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- H. **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.**

2.1.5 Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance.

The Company will perform adequate scheduling so as to provide service to a customer at a mutually agreed upon time. On a monthly basis, 90% of the commitments to customers with respect to the date of installation of service shall be met. The Company will take corrective action if the rate of met commitments falls below 90% for 3 consecutive months. Customer-caused delay or customer-missed appointments will not be figured into the rate of met commitments.

Calls requesting local directory assistance shall be answered within 10 seconds. The Company will take corrective action if its average answer time per month for local directory assistance calls is more than 10 seconds for 3 consecutive months.

2.1.5 Service-Affecting Activities, Cont'd

The Company will maintain service so that the average monthly rate of initial customer trouble reports in any wire center area is not more than 6 per 100 access lines per month, exclusive of all of the following: (a) Reports concerning interexchange calls. (b) Trouble found in equipment that is not the provider's. (c) Nonregulated customer premises equipment or inside wiring. For the purpose of administering this rule, each party line customer shall be considered to have 1 local access line. Multiple trouble reports that are attributable to a common cause or defect shall not be aggregated. Rather, a separate report shall be counted for each customer line reported in trouble. A provider shall take corrective action if a customer trouble report rate is more than 6 per 100 access lines per month in a wire center area for 3 consecutive months.

2.1.6 Provision of Equipment and Facilities

- A. The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- B. The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- C. The Company may substitute, change or rearrange any equipment or facility at reasonable times, but shall not thereby alter the technical parameters of the service provided the Customer.
- D. Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided by the Company.
- E. The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

2.1.6 Provision of Equipment and Facilities, Cont'd

- F. The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
1. the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 2. the reception of signals by Customer-provided equipment.

2.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- A. where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- B. of a type other than that which the Company would normally utilize in the furnishing of its services;
- C. over a route other than that which the Company would normally utilize in the furnishing of its services;
- D. in a quantity greater than that which the Company would normally construct;
- E. on an expedited basis;

2.1.8 Special Construction

- F. on a temporary basis until permanent facilities are available;

- G. involving abnormal costs; or
- H. in advance of its normal construction.

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

2.2 Prohibited Uses

- A. The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- B. The Company may require business applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Michigan Public Service Commission regulations, policies, orders, and decisions.
- C. The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- D. A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A. the payment of all applicable charges pursuant to this tariff;

2.3.1 General, Cont'd

- B. damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;

- C. providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- D. obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company- provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- E. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;
- F. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;

2.3.1 General, Cont'd

- G. not creating any liens or other encumbrances on the Company's equipment or facilities; and
- H. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the

Customer. No allowance will be made for the period during which service is interrupted for such purposes.

2.3.2 Claims

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- A. any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- B. any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

2.4 Customer Equipment and Channels – Business Customers

2.4.1 General

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade or data telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic and data communication except as specifically stated in this tariff.

2.4.2 Station Equipment

- A. Terminal equipment on the Business User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Business User. The Business User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- B. The Business Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Business Customer's expense.

2.4.3 Interconnection of Facilities

- A. Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Business Customer's expense.
- B. Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- C. Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall comply with all applicable federal and state legal and regulatory requirements; and all User-provided wiring shall be installed and maintained in compliance with all such legal and regulatory requirements.
- D. Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an "End User" as defined below:
"End User means any customer of an interstate or foreign telecommunications service that is not a carrier except that a carrier other than a telephone company shall be deemed to be an "end user" when such carrier uses a telecommunications service for administrative purposes and a person or entity that offers telecommunications services exclusively as a reseller shall be deemed to be an "end user" if all resale transmissions offered by such reseller originate on the premises of such reseller."

2.4.4 Inspections

- A. Upon suitable notification to the Business Customer, and at a reasonable

time, the Company may make such tests and inspections as may be necessary to determine that the Business Customer is complying with the requirements set forth in Section 2.4.2.B for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

- B. If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Business Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Business Customer must take this corrective action and notify the Company of the action taken. If the Business Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

2.5 Payment Arrangements

2.5.1 Nondiscriminatory Service

The Company will not discriminate against nor penalize a customer for exercising a right granted under this section or under applicable law. The Company will provide all services described under this tariff in compliance with the following:

- A. The Company will not make a statement or representation, including an omission of material information, regarding the rates, terms, or conditions of providing a basic local exchange service that is false, misleading, or deceptive.
- B. The Company will not charge a customer for a subscribed service for which the customer did not make an initial affirmative order. Failure to refuse an offered or proposed service is not an affirmative order for the service.
- C. If a customer cancels a service, the Company will not charge the customer for service provided after the effective date that the service was canceled.
- D. The Company will not state to a customer that basic local exchange service will be shut off unless the customer pays an amount that is due in whole or in part for an unregulated service.

2.5.2 Payment for Service

A. Facilities and Service Charges

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Users authorized by the Customer, regardless of whether those services are used

by the Customer itself or are resold to or shared with other persons.

B. Taxes

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of the Company's services.

2.5.3 Billing and Collection of Charges

- A. The Company shall render a bill during each billing period to every Customer. The billing period shall be monthly.
- B. Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- C. The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- D. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- E. Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- F. If service is disconnected by the Company in accordance with Section 2.6 and later restored, restoration of service will be subject to all applicable restoration and installation charges.

2.5.3 Billing and Collection of Charges, Cont'd

- G. The date of rendition of the Company's bill for basic local exchange service shall be the date of physical mailing of the bill by the Company. If the last calendar day for remittance falls upon a Sunday, legal holiday, or any other day when the offices of the provider regularly used for the receipt of payment of customer bills are not open to the general public, then the final

payment date shall be extended through the next business day. The date of payment of remittance by mail is 2 days before receipt of the remittance.

- H. At a minimum, each Residential Customer bill rendered by the Company shall clearly state all of the following information:
1. The beginning and ending dates of the billing period.
 2. The due date.
 3. Any previous balance.
 4. The telephone number for which the bill is rendered.
 5. The total amount due for basic local exchange service and regulated toll service.
 6. An itemized statement of all taxes due.
 7. The total amount due.
 8. The statement that rate schedules for basic local exchange service are available and will be mailed by the provider upon request at no cost to the customer.
 9. The address and telephone number of the provider, designating where the customer may initiate an inquiry or informal complaint regarding the bill as rendered or the service provided.
- I. Unless otherwise specified by the Customer, if partial payment of a bill is made, then the Company shall first credit the partial payment to basic local exchange service and regulated toll service.
- J. Not later than 15 days after the completion of an order for new service or a change in existing service that results in a billing change, the Company shall send to the Residential Customer a written itemized statement of the services ordered, including all associated charges.
- K. A Residential Customer shall have the right, within 1 billing period of receiving a bill for new services or changed services, to cancel, reduce, or modify a service or a portion of a service without further service charge.

2.5.4 Advance Payments

The Company may require the prepayment of 1 billing period's charges for basic local exchange service as a condition of service. If a Residential Customer's basic local exchange service is subject to usage-sensitive pricing, then the prepayment permitted by this rule shall not be more than the average of charges for similar services purchased in the Residential Customer's exchange during the most recent calendar year for which data are available. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

2.5.5 Deposits

To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. A deposit may be required in addition to an advance payment.

When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.

The Company is not obligated to provide service to a household under any name if an outstanding bill exists at the address and the person responsible for that bill still resides at the address.

2.6 Discontinuance of Service

Part I – Business Customers

- A. Upon nonpayment of any amounts owing to the Company, the Company may, by providing the requisite prior written notice to the Business Customer, discontinue or suspend service without incurring any liability.
- B. Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 30 days' prior notice in writing to the Business Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.

2.6 Discontinuance of Service
Part I – Business Customers

- C. Upon condemnation of any material portion of the facilities used by the Company to provide service to a Business Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Business Customer, may discontinue or suspend service without incurring any liability.
- D. Upon the Business Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- E. Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service to Business Customers without incurring any liability.
- F. In the event of fraudulent use of the Company's network by Business Customers, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- G. Upon the Company's discontinuance of service to the Customer under Section 2.5.6.A or 2.5.6.B, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable.

Part II – Residential Customers

- A. The Company may shut off basic local exchange service to a Residential Customer for one or more of the following reasons:
 - 1. Nonpayment of a delinquent account for basic local exchange service;
 - 2. Nonpayment of a delinquent account with a delinquent balance of \$150 or more for basic local exchange service and regulated toll service in the name of the customer;
 - 3. Maintaining a delinquent balance of \$125 or more for three consecutive months for basic local exchange service and regulated toll service;

2.6 Discontinuance of Service, Cont'd

Part II – Residential Customers, Cont'd

4. Unauthorized tampering or interference with facilities and equipment owned by a provider of basic local exchange service that are situated on or about the customer's premises.
5. Refusal to grant access at reasonable times to equipment installed upon the premises of the customer for the purpose of inspection, maintenance, or replacement;
6. Misrepresentation of the customer's identity for the purpose of obtaining basic local exchange service.
7. A violation of a tariff provision of the provider of basic local exchange service that is on file with or approved by the Michigan Public Service Commission that adversely affects the safety of the customer or other persons or the integrity of the provider's basic local exchange system;
8. Any other unauthorized use or interference with basic local exchange service, including improper use of a party line service by denying other customers on the line an equitable proportionate use of the service.

2.7 Cancellation of Service

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever, the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.3.

The Customer's termination liability for cancellation of service shall be equal to:

- A. all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Customer; plus
- B. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- C. all Recurring Charges specified in the applicable Service Order Tariff incurred prior to disconnection, cancellation or termination; minus
- D. a reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

2.8 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written

consent of the other party, except that the Company may assign its rights and duties:

- A. to any subsidiary, parent company or affiliate of the Company; or
- B. pursuant to any sale or transfer of substantially all the assets of the Company; or
- C. pursuant to any financing, merger or reorganization of the Company.

2.9 Notices and Communications

- A. The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- B. The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- C. All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- D. The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

2.10 Formal and Informal Procedures

For Residential Customers, informal complaints will be handled by the Company's customer service department, which will use good faith efforts to informally resolve the dispute. If the Company and the Residential Customer are unable to informally resolve the dispute, the customer may file a formal complaint with the Michigan Public Service Commission. The Company shall not disconnect the service to the Residential Customer before resolution of a bona fide dispute.

2.10.1 Payment of Amount Not In Dispute

- A. If a customer files a formal complaint with the Commission, then the Company may require the Customer to pay an amount equal to the part of the bill that is not in dispute.
- B. The amount that is not in dispute shall be mutually determined by the Company and the Customer.
- C. If the Company and the Customer are unable to mutually determine the amount that is not in dispute, then the Company may require the Customer to pay up to 50% of the amount that is in dispute.
- D. If the Customer fails to pay to the Company either the amount that is not in dispute or 50% of the amount that is in dispute, then the Company may shut off service consistent with this tariff.
- E. If the dispute is ultimately resolved in favor of the Customer, in whole or in part, then any excess moneys paid by the Customer shall be refunded promptly.

2.11 Customer Access to Information

2.11.1 Public Access to Rules and Rates

The Company will keep on file, and provide public access to, a copy of the Michigan Public Service Commission's rules and a schedule of all rates and service charges at all of its offices that are open to the general public. Upon the request of a customer, the Company will provide a customer with 1 copy of the rules and the rate schedules applicable to the customer's usage.

2.11.2 Telephone Directory

A Customer may request either a printed telephone directory or an electronic telephone directory from the Company and it shall be provided to Customer at no additional charge to Customer. The Company may, at its option, either publish its own directory or provide a copy of one published by the dominant exchange service provider.

SECTION 3 – SERVICE OFFERINGS

3.1 General

The regulations set forth in this section govern the application of rates for services contained in other sections of this tariff.

3.1.1 Application of Business and Residence Rates

- A. The determination as to whether telephone service should be classified as business or residential is based on the character of the use to be made of the service. Service is classified as business where the use is primarily or substantially of a business, professional, institutional, or otherwise occupational nature. Where the business use, if any, is incidental and where the major use is of a personal or domestic nature, service is classified as residential service if installed in a residence.
- B. Business rates apply at the following locations, among others:
 - 1. In offices, stores and factories, and in quarters occupied by clubs, lodges, fraternal societies, schools, colleges, libraries, hospitals and other business establishments.
 - 2. In residential locations where the place of residence is in the immediate proximity to a place of business and it is evident that the telephone in the residence is or will be used for business purposes; and in residence locations where an extension is located at a place where business rates would apply.
 - 3. In the residence of a practicing physician, dentist, veterinarian, surgeon or other medical practitioner who has no service at business rates at another location.
 - 4. In any residential location where there is substantial business use of the service and the customer has no service at business rates.
- C. Residential rates apply at the following locations, among others:
 - 1. In private residences; in the residential portion of hotels, apartment houses, boarding houses, churches, or institutions when the use of the service is confined to the domestic use of the customer and listings of a business nature are not furnished.
 - 2. In the residence of a practicing physician, dentist, veterinarian, surgeon or other medical practitioner provided that such residence is not a part of an office building and provided the customer has service charged for at business rates at another location.

3.2 Charges Based on Duration of Use

Where charges for a service are specified based on the duration of use, such as the

duration of a telephone call, the following rules apply:

- A. Calls are measured in durational increments identified for each service. All calls that are fractions of a measurement increment are rounded-up to the next whole unit.
- B. Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s). Timing for operator service person-to-person calls start with completion of the connection to the person called or an acceptable substitute, or to the PBX station called.
- C. Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.

3.3 Rates Based Upon Distance

Where charges for a service are specified based upon distance, the following rules apply:

Distance between two points is measured as airline distance between the Rate Centers of the originating and terminating telephone lines. The Rate Center is a set of geographic coordinates, as referenced in National Exchange Carrier Association, Inc. Tariff FCC No. 4, associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven digit telephone number). Where there is no telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the Rate Center of the Customer's main billing telephone number.

3.4 Calculation of Distance

Usage charges are based on the airline distance between the serving wire centers associated with the originating and terminating points of the call. The serving wire centers of a call are determined by area code and exchange numbers. All calls are billed from the End User's serving wire center to the terminating point serving wire center.

3.4 Calculation of Distance, Cont'd

The distance between the originating point and that of the destination point is calculated by using the "V" and "H" coordinates as defined by NECA Tariff FCC No. 4, in the following manner:

- Step 1: Obtain the "V" and "H" coordinates for the originating point and the destination point.
- Step 2: Obtain the difference between the "V" coordinates of each of the Rate Centers. Obtain the Difference between the "H" coordinates.
- Step 3: Square the differences obtained in Step 2.
- Step 4: Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5: Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6: Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating serving wire centers.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

3.5 Directory Listings

For each Customer of Company-provided Exchange Access Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number in the directory(ies) published by the incumbent Local Exchange Carrier in the area at no additional charge. For Customers with multiple premises served by the Company, the Company will arrange for a listing of the main billing telephone number at each premise.

3.6 Types of Services Offered

Section 3.7 of the tariff contains a general description of the services offered by the Company and the rates applicable to each service. The Company provides switched, telephonic-quality voice and data transmission services that enable Users to communicate on a real-time basis between points within local calling areas in the State of Michigan, as well as ancillary services that facilitate the use or expand the capabilities of switched communications services. Services may be performed by resale of services provided by other telephone companies.

The services offered are:

Basic Local Exchange Service, consisting of: Business Basic Line Service
Residential Basic Line Service
Coordinated Conversion of Service
Coordinated Hot-Cut Conversion of Service

3.7 Basic Local Exchange Service

Basic Local Exchange Service provides a Customer with a telephonic connection to, and a unique telephone number on, the Company's switching network which enables the Customer to:

- A. receive calls from other stations on the public switched telephone network;
- B. access the Company's Local Calling Services and other Services as set forth in this tariff;
- C. access interexchange calling services of the Company and of other carriers;
- D. access (at no additional charge) to the Company's operators and business office for service related assistance;
- E. access toll-free telecommunications services such as 800 NPA; and access toll-free emergency services by dialing 0 or 9-1-1 (where available);
- F. access relay services for the hearing and/or speech impaired.

Basic Local Exchange Service can also be used to originate calls to other telephone companies' caller-paid information services (e.g. NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's switch at no charge upon customer request. Each Basic Local Exchange Service corresponds to one or more telephonic communications channels that can be used to place or receive one call at a time.

3.7 Basic Local Exchange Service, Cont'd

Exchange Access Line - The service central office line equipment and all the Company plant facilities up to the demarcation point. These facilities are Company-provided and maintained and provide access to and from the telecommunications network for message toll service and for local calling appropriate to the tariffed use offering selected by the customer.

3.7.1 Residential Basic Line Service

Residential Basic Line Service provides a residential customer with all of the features of basic local exchange service set forth above, provided over a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time.

3.7.2 Coordinated Conversion of Service

This service applies when a customer requests to have his current local phone service with another carrier converted to Clear Rate Communications, Inc. This includes porting of the customer's existing phone number to Clear Rate Communications, Inc. This service is available with all basic local exchange service offerings.

3.7.3 Coordinated Hot-Cut Conversion of Service

This service applies when a customer requests to have his current local phone service with another carrier converted to Clear Rate Communications, Inc. at a specific date and time, with little or no interruption of service. This includes porting of the customer's existing phone number to Clear Rate Communications, Inc. This service is available with all basic local exchange service offerings.

3.8 Operator and Directory Assistance Service

The Company furnishes Directory Assistance Service ("DA") for the purpose of aiding subscribers in obtaining telephone numbers through arrangements with the incumbent local exchange carrier when a party in Michigan requests assistance in obtaining telephone numbers of subscribers who are located within the same numbering plan area as the number the party is calling from.

Directory Assistance Calls will be assessed per-call charges as per Section 4.11 below. Charges for DA are not applicable to inquiries received from public and semipublic telephones, nor from telephone service furnished for the use of handicapped persons.

Local Operator Service enables callers to obtain information or to assist callers in placing calls. Callers access the service by dialing "O." The customer will be charged for each operator service event as per Section 4.10 below.

3.9 IntraLATA and InterLATA Presubscription

A. General

IntraLATA presubscription is a procedure whereby a subscriber designates to the Company the carrier which the subscriber wishes to be the carrier of choice for intraLATA toll calls. InterLATA presubscription is a procedure whereby a subscriber designates to the Company the carrier which the subscriber wishes to be the carrier of choice for interLATA toll calls. Such intraLATA or interLATA calls are automatically directed to the designated carrier, without the need to use carrier access codes or additional dialing to direct the call to the designated carrier. Neither intraLATA nor interLATA presubscription prevents a subscriber who has presubscribed to an intraLATA or interLATA toll carrier from using carrier access codes or additional dialing to direct calls to an alternative intraLATA or interLATA toll carrier on a per-call basis.

B. Options

Option A: Subscriber may select the Company as the presubscribed carrier for intraLATA and/or interLATA toll calls subject to presubscription.

Option B: Subscriber may select the same toll carrier as the subscriber's presubscribed carrier for both intraLATA and interLATA toll calls subject to presubscription.

Option C: Subscriber may select one carrier as the subscriber's intraLATA toll carrier for intraLATA toll calls subject to presubscription, and the subscriber may choose a different carrier as the subscriber's interLATA toll carrier for interLATA toll calls subject to presubscription.

Option D: Subscriber may select a carrier as the subscriber's toll carrier for either intraLATA toll service or interLATA toll service, and may choose not to select a carrier for the other service.

Option E: Subscriber may select no presubscribed carrier for both intraLATA or interLATA toll calls subject to presubscription, which will require the subscriber to dial a carrier access code to route all intraLATA and interLATA toll calls to the carrier of choice for each call.

3.9 IntraLATA and InterLATA Presubscription, Cont'd

C. Regulations

Subscribers of record on the effective date of this tariff will retain their current dialing arrangements until they request that their dialing arrangements be changed. Subscribers of record or new subscribers may select either Options A, B, C, D, or E for intraLATA or interLATA presubscription.

Subscribers may change their selected option and/or their presubscribed intraLATA or interLATA toll carrier at any time subject to charges specified in Section 4.7.

D. Customer Notices

On request, the Company will advise subscribers of the availability of intraLATA and/or interLATA presubscription, a description of intraLATA and/or interLATA toll presubscription, how to make an intraLATA and/or interLATA toll presubscription carrier selection, and a description of when and what charges apply related to the selection of an intraLATA and/or interLATA toll carrier.

SECTION 4 – RATES AND CHARGES

4.1 Basic Local Service Charges

Service to be provided as defined in Sections 3.6 and 3.7 of this tariff. In addition to monthly recurring charges, service charges under Section 4.2 also apply.

4.1.1 Residential Unlimited Local Calling Plan

Monthly Charge	22.99
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Coordinated Conversion of Service

Residence, per service order; nonrecurring charge in addition to primary charge in Section 4.2 below	\$ 45.00
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Business, per service order; nonrecurring charge in addition to primary charge in Section 4.2 below	\$ 45.00
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There is no recurring charge for either service.

Coordinated Hot-Cut Conversion of Service

Residence, per service order; nonrecurring charge in addition to primary charge in Section 4.2 below	\$ 75.00
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Business, per service order; nonrecurring charge in addition to primary charge in Section 4.2 below	\$ 75.00
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There is no recurring charge for either service.

4.2 Service Charges

4.2.1 Service Ordering Charge - Multi Element Charges

- (A) Primary - For connecting new or additional Access lines.

Nonrecurring Charge

Residence, per service order	\$ 59.00
Business, per service order	\$ 59.00

- (B) Secondary - For changing existing service or adding new or additional service other than Access lines.

Residence, per service order	\$ 25.00
Business, per service order	\$ 25.00

- (C) Record - For record type orders affecting directory listings.

Residence, per service order	\$ 15.00
Business, per service order	\$ 15.00

4.2.2 Access Line Connection Charge

- (A) Per Access line or Trunk - Residence

(1) Central Office Work Charge	\$ 200.00
(2) New Line Connection Charge	\$ 35.00

- (B) Per Access line or Trunk - Business

(1) Central Office Work Charge	\$ 200.00
(2) New Line Connection Charge	\$ 35.00

4.2.3 Restoration Charge

(A) Temporary Suspension at Customer's Request

Nonrecurring Charge

(1) Residence

Secondary Service Ordering Charge, per Customer request	\$ 40.00
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Charge per Telephone Number Restored	\$ 40.00
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(2) Business

Secondary Service Ordering Charge, per Customer request	\$ 40.00
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Charge per Telephone Number Restored	\$ 40.00
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(B) Nonpayment or Shutoff

In the event service is temporarily interrupted pursuant to Section 2.6 of this tariff, such service will be restored upon compliance with all requirements of Section 2.6 or, at the discretion of the Company, a substantial portion thereof, and in addition, charges as specified following will be applicable to restore such services.

(1) Residence

Secondary Service Ordering Charge, per request	\$ 50.00
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Charge per Telephone Number Restored	\$ 59.00
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(2) Business

Secondary Service Ordering Charge, per request	\$ 50.00
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Charge per Telephone Number Restored	\$ 59.00
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4.3 Reduced Rate Service for Low Income Customers

A rate reduction for low income customers shall be at a minimum, 20% of the basic local exchange rate or \$8.25, which shall be, inclusive of any federal contribution, whichever is greater.

If the low income customer is 65 years of age or older, the rate reduction shall be, at a minimum, 25% of the basic local exchange rate or \$12.35, which shall be inclusive of any federal contribution, whichever is greater.

The total reduction provided for above shall not exceed 100% of all end-user common line charges and the basic local exchange rate. The dollar amounts listed in this paragraph will be adjusted annually to reflect any increases or decreases in the federal contribution.

4.3.1 Eligible Customers

Customers are eligible for a reduced rate as set forth herein if the Customer's annual income does not exceed 150% of the federal poverty guidelines published annually in the federal register by the United States department of health and human services and as approved by the state treasurer, or the Customer must participate in one of the following federal assistance programs:

- (a) Medicaid.
- (b) Food stamps.
- (c) Supplemental security income.
- (d) Federal public housing assistance.
- (e) Low-income home energy assistance program.
- (f) National school lunch program's free lunch program.
- (g) Temporary assistance for needy families.

4.3.2 Cost Recovery

The Company may recover costs incurred due to providing the reduced rate for low income customers by assessing a line item charge on an end-user's bill. The charge shall be in the form of a rate for each subscriber line of the Company established by the Michigan Public Service Commission.

4.4 Emergency Services

This service allows Customers to reach appropriate emergency services including police, fire and medical services. The 911 Service includes lines and central office features necessary to provide the capability to answer, transfer and dispatch public emergency telephone calls originated by persons within the telephone central office areas arranged for 911 calling. If 911 Service is not available in an area, the Company shall make arrangements for the Customer to reach the appropriate emergency services through dialing "0".

4.5 Telecommunications Relay Service

Telecommunications Relay Service enables hearing-impaired or speech-impaired persons, as defined by Section 315 of the Michigan Telecommunications Act, who use a text telephone or similar devices to communicate freely with the hearing population for using the text telephone and vice versa. The Company may impose a charge to end users as the form of a line item on the Customer's bill for access to Telecommunications Relay Service using the rate established by the Commission. Further, Customers using this Service are liable for applicable per call/increment charges.

4.6 Call Blocking Service

Call Blocking Service is a Service which provides Customers with the capability to block originating calls to the 1-900 calling networks or 976 services. When Call Blocking Service is requested, all originating calls to 900 numbers nationwide will be blocked. Calls to a 976 service will also be blocked. Customers with Call Blocking Service attempting to dial a 900 number from a restricted line will reach a Company-provided or DUC-provided intercept announcement. Call Blocking is provided at no charge.

4.7 IntraLATA and InterLATA Presubscription

A. Application of Rates

There will be no charge for a subscriber's initial intraLATA or interLATA toll presubscription selection.

New local service subscribers will be asked to select carriers for their intraLATA toll and interLATA calls subject to presubscription at the time they place an order with the Company for local exchange service. If the new subscriber is unable to make a selection at that time, the new subscriber will be read a random listing of all available intraLATA and interLATA toll carriers to aid his/her selection. If the new subscriber is still unable to make a selection at that time, the Company will inform the new subscriber that he/she will be given 90 days in which to inform the Company of an intraLATA or interLATA toll presubscription carrier at no charge. The new subscriber will also be informed that the Company will assess a charge for any selection made after the 90 day window and that until a selection is made, the subscriber will be required to dial a carrier access code to route all intraLATA and interLATA toll calls.

New subscribers who do not make an intraLATA or interLATA toll carrier presubscription choice at the time the new subscriber places an order establishing local exchange service with the Company will not be presubscribed to any intraLATA or interLATA toll carrier, but rather will be required to dial a carrier access code to route all intraLATA and interLATA toll calls to the carrier of choice for each call.

After a subscriber's initial selection for a presubscribed intraLATA or interLATA toll carrier, an intraLATA or interLATA presubscription change charge will apply for any change thereafter.

4.7 IntraLATA and InterLATA Presubscription, Cont'd

B. IntraLATA Presubscription Change Charge

Per non-residence or residence line, trunk, or port

	<u>Non-recurring Charge</u>
Initial line, trunk, or port	\$11.95
Additional line, trunk, or port	\$11.95

InterLATA Presubscription Change Charge

Per non-residence or residence line, trunk, or port

Initial line, trunk, or port	\$11.95
Additional line, trunk, or port	\$11.95

4.8 Rates by Individual Contract Basis (ICB)

In lieu of the rates otherwise set forth in this tariff, rates and charges, including minimum usage, installation, special construction and recurring charges for the Company's services may be established at negotiated rates on an individual contract basis (ICB), taking into account the nature of the facilities and services, the costs of construction and operation, the volume of traffic, the length of service commitment by the Customer, and use of facilities by other customers. Such arrangements shall be considered Special Pricing Arrangements, the terms of which will be set forth in individual Customer contracts. However, unless otherwise specified, the terms, conditions, obligation and regulation set forth in this tariff shall be incorporated into, and become a part of, said contract, and shall be binding on the Company and the Customer. Specialized rates or charges will be made available to similarly situated customers on a non-discriminatory basis.

4.8 Rates by Individual Contract Basis (ICB), Cont'd

In addition to any rate or charge established by the Carrier, the Customer will also be responsible for any recurring or non-recurring charges imposed by local exchange telephone companies incurred by or on behalf of the Customer in establishing and maintaining service. Such charges may be billed by the Carrier or directly by the local exchange company, at the Carrier's option.

Upon completion of any contractual arrangements entered into under this section, the Company will file additional tariff sheets as an amendment to this tariff summarizing the services, rates, terms, conditions, and duration of the contract, and will make the contract itself available to the Commission upon the Commission's request. The Company reserves the right to protection from public disclosure of proprietary information contained in such contracts as allowed under law.

4.9 Promotional Offerings

The Company, from time to time, may make promotional offerings of its services, which may include waiving or reducing the applicable charges for the promoted service. Promotions will be filed as separate tariff sheets under this section 4.9.

All promotions will be limited in duration, and will identify a definite, reasonable time period during which the promotion will be in effect. A promotion may also be limited as to the locations where the offerings are made. A promotion may also, if so designated, provide for its conclusion upon the occurrence of a promotion-related event that is reasonably certain to occur, although the timing may not be certain.

All promotions shall be made available to other carriers for resale, and shall be priced, in conjunction with the entire service offering as a whole, above the Company's total service long run incremental cost.

Promotions will be implemented with at least one day's notice prior to the effective date of each promotion.

4.10 Operator Assistance

Per Event	\$1.50
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4.11 Directory Assistance

Per Call	\$1.50
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SECTION 5 – ACCESS SERVICE

5.1 Number Portability Service

Number Portability Service applies to an interconnection arrangement between the Company and the Connecting Company. This service enables the Connecting Company to provide basic local exchange service within the State of Michigan to a given customer(s) that wish to retain their telephone number(s), assigned by the Company. The Connecting Company may choose from two options:

1. Direct Inward Dial (DID)
2. Remote Call Forwarded (RCF)

A. Direct Inward Dial

Direct Inward Dial (DID) option for number portability is a service which permits incoming dialed calls to a telephone number, assigned to the Company, to be forwarded to a Connecting Company end office over Direct Inward Dial (DID) facilities. The Company will deliver the called number to the Connecting Company via the Connecting Company-provided trunk for call completion.

B. Remote Call Forwarding

Remote Call Forwarding (RCF) option for number portability is a service which permits incoming dialed calls to a telephone number, assigned to the Company, to be forwarded to a Connecting Company end office, utilizing a call forwarding of the Company's end office switch.

5.1.1 Rules and Regulations

- A. Number Portability and facilities will only be provided, where technically feasible, subject to the availability of facilities and may only be furnished from properly equipped central offices. Number Portability services and facilities are not offered for the Company's Coin Telephone service.
- B. When the exchange service offering(s) associated with Number Portability services are provisioned using remote switch(es), Number Portability service is available from host central offices.
- C. General regulations as depicted in the Company's General Regulations Tariff, such as payments, deposits, adjustments, etc., apply to Number Portability services as appropriate.

5.1.2 Responsibility of the Connecting Company

- A. The Connecting Company shall exchange technical descriptions and forecasts of their traffic requirements in sufficient detail necessary to engineer, install, maintain, and administer the facilities subject to this arrangement.
- B. The Connecting Company is solely responsible to obtain authorization from the end user for the handling of the disconnection of the end-user's service with the Company, the provision of service by the Connecting Company and the provision of Number Portability services. Should a dispute or discrepancy arise regarding the authority of the Connecting Company to act on behalf of the end-user, the Connecting Company is responsible for providing written evidence of its authority.
- C. The Connecting Company is responsible for coordinating the provisioning of the service with the Company to assure that its switch is capable of accepting Number Portability ported traffic.
- D. The Connecting Company is solely responsible to provide equipment and facilities that are compatible with the Company's service parameters, interfaces, equipment and facilities. The Connecting Company is required to provide sufficient terminating facilities and services at the terminating end of a Number Portability call to adequately handle all traffic to that location and is solely responsible to ensure that its facilities, equipment and services do not interfere with or impair any facility, equipment or service of the Company or any of its end-users.
- E. The Connecting Company is responsible for providing an appropriate intercept announcement service for any telephone number subscribed to Number Portability services for which it is not presently providing local exchange service.
- F. Where the Connecting Company chooses to disconnect or terminate any Number Portability service, it is responsible for designating the preferred type of announcement to be provided by the Company at appropriate unregulated intercept rates, if applicable.

5.1.2 Responsibility of the Connecting Company, Cont'd

G. The Connecting Company is responsible for designating to the Company at the time of its initial service request for Number Portability services one of the following options with respect to Credit Card, Collect, third party, and other operator handled calls from or to Number Portability assigned telephone numbers:

1. the Connecting Company may request that the Company block all such calls;
2. the Connecting Company may accept billing from the Company for such calls;
3. the Connecting Company may negotiate a separate agreement with the Company establishing the call handling, processing, billing and collection responsibilities of the parties.

5.1.3 Responsibility of the Company

The Company will make available notes and other information necessary describing the interoffice transmission and signaling procedures standard to the Company's network.

5.1.4 Rates and Charges

Each number ported to the Connecting Company will be charged as follows:

DID option	\$5.00	per number ported per month
RCF option	\$9.99	per number ported per month

No other charges will apply, except for collect, third party, or other operator-assisted calls to the remote telephone number, the Connecting Company is responsible for the payment of charges if the party at the number to which calls are forwarded accepts such calls.

SECTION 6 – DEDICATED TRANSPORT SERVICE

6.1 Individual Contract Basis (ICB)

The company also offer business customers Business Direct Inward Dial (DID) Service, Digital Signal 0 (DS-0) Service, Digital Signal 1 (DS-1) Service and Digital Signal 3 (DS-3) Service. Rates and charges, including minimum usage, installation, special construction and recurring charges for the Company's services may be established at negotiated rates on an individual contract basis (ICB), taking into account the nature of the facilities and services, the costs of construction and operation, the volume of traffic, the length of service commitment by the Customer, and use of facilities by other customers. Such arrangements shall be considered Special Pricing Arrangements, the terms of which will be set forth in individual Customer contracts. However, unless otherwise specified, the terms, conditions, obligation and regulation set forth in this tariff shall be incorporated into, and become a part of, said contract, and shall be binding on the Company and the Customer.

In addition to any rate or charge established by the Carrier, the Customer will also be responsible for any recurring or non-recurring charges imposed by local exchange telephone companies incurred by or on behalf of the Customer in establishing and maintaining service. Such charges may be billed by the Carrier or directly by the local exchange company, at the Carrier's option.

SECTION 7 – LOCAL CALL TERMINATION SERVICE

7.1 General

This Section establishes an arrangement for the termination of local telecommunications traffic of other carriers on the Company's network, including intra-exchange Telecommunications traffic; traffic that originates and terminates in the same local calling area as specified in the Preface of the Company's Tariff M.P.S.C. No. 1; Extended Area Service ("EAS") traffic; calls made to a local calling area adjacent to the caller's local calling area pursuant to Michigan Telecommunications Act Section 304(1); and Local Call Termination Service ("LCTS").

This Section is applicable to the provision of LCTS to Carriers within the State of Michigan. If an Interconnection Agreement exists between a Carrier and the Company, to the extent that the terms of this Section are inconsistent with the terms of the Agreement between the Company and the Carrier, the terms of such Agreement shall govern.

7.2 Regulations

- A. LCTS requires the use of Calling Party Number (CPN) when a call is setup using SS7 or ANI when the call is setup using other methods. Calls with the appropriate CPN/ANI for the provider's service area will be billed at the rate shown herein. Calls without the appropriate CPN/ANI will be billed as access.
- B. SS7 denotes the common channel out of band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI).
- C. Terminating access services are not allowed over facilities associated with LCTS. If it is determined that the customer has routed terminating access services over facilities ordered for LCTS in violation of the above, the Company will charge the customers the higher of LCTS charges or terminating access charges for all the traffic routed over those facilities plus a penalty of up to three times the original charges.
- D. Charges for LCTS shall be on a per Interconnection Minutes basis.

7.3 Constructive Ordering of LCTS

In the event a Carrier with whom an Interconnection Agreement or other arrangements do not exist, directs local traffic to the Company for termination, such Carrier will be held to have constructively ordered LCTS from the Company.

7.4 Definitions Pertaining to Section

Carrier

A telecommunications carrier, other than the Company, that provides local exchange telecommunications services within the State of Michigan between one or more of its exchanges and an exchange of the Company.

Interconnection Minutes

For the purpose of calculating chargeable usage, the term “Interconnection Minutes” denotes customer usage of exchange facilities in the provision of local call termination service. For terminating local calls provided with Multi-Frequency Signaling, the measurement of interconnection minutes begins when the terminating first point of switching receives answer supervision from the terminating end user’s end office, indicating the terminating end user has answered. This measurement ends when the terminating first point of switching receives disconnection supervision from either the terminating end user’s end office, indicating the terminating end user has disconnected, or the customer’s point of termination, whichever is recognized first by the first point of switching. Interconnection minutes to an end office will be determined by the Company.

For terminating local calls with SS7 Signaling, usage measurement begins when the terminating recording switch receives answer supervision from the terminating end user.

The Company switch receives answer supervision and sends the indication to the customer in the form of an answer message. The measurement of terminating local call usage ends when the entry switch receives or sends a release message, whichever occurs first. The telecommunications industry commonly refers to the above length of time as terminating conversation time.

7.5 Payment of Rates and Charges

The regulations regarding the payment of rates and charges are set forth in Section 2.5.

7.6 Rates

LCTS Rate

Per interconnection minute: \$0.004331

Notwithstanding any other provision of this tariff, with respect to any Customer that, on its own or through an Affiliate, provides services comparable to the services provided under this tariff to the Company within Michigan, during any billing period, in the event that any of the applicable rates and charges set forth in this Section 7 are lower than comparable rates and charges in effect as of the last day prior to such billing period ("Customer Prices") offered or charged by the Customer or such Affiliate to the Company anywhere within Michigan for services comparable to the services provided under this tariff, then, for such Customer, such rates and charges in this Section 7 shall be an amount equal to such Customer Prices.